



**MEETING OF THE INVESTMENT COMMITTEE OF THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY
33 N Dearborn St, Suite 1000
Chicago, Illinois 60602**

Minutes for the November 21, 2013 IC Meeting

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County Fund are herein collectively referred to as the "Fund."

Call to Order and Roll Call at 9:30 a.m.

Investment Committee in attendance: Mr. Patrick McFadden, Mr. John Fitzgerald, Ms. Diahann Goode, Ms. Alexis Herrera, Mr. Robert Janura, Mr. Brent Lewandowski, Mr. Patrick Nester, Mr. Ivan Samstein and Mr. Samuel Richardson Jr.

Staff Present: N. Hackett, M. Fahrenbach, F. Vinzons, K. Quaye and R. Farris

Others Present: M. Joecken – Callan; K. Lathan – Williams Capital; J. Parks – Loop Capital; K. Sabo – Commissioner Gainer's Office;

Presenters: C. Emanuel, A. Marley, A. Polit – Lombardia Capital; R. Bhansali, M. Hobson, J. Rogers – Ariel Investments.

1. Approval of October 29, 2013 Investment Committee Meeting Minutes;

Motion for Approval and Adoption of Minutes. It was moved by Trustee Richardson and seconded by Trustee Janura that the minutes of the October 29, 2013 Investment Committee meeting be approved and adopted.

Vote Result: **MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE**

2. Administrative Updates;

Ms. Hackett informed the Investment Committee of Trustee education requirement status and opportunities. In addition, Ms. Hackett gave the Investment Committee advance notice of January Investment Committee agenda items including a presentation and discussion by Callan's Sally Haskins on the Fund's real estate portfolio.

3. Performance Update;

Mr. Joecken reviewed the Capital Markets Summary and the September 2013 Quarter performance report for each fund as prepared by Callan. Momentum from the June quarter continued with the Forest Preserve Fund returning 5.32% (vs. 4.75% benchmark) and the Cook County Fund returning 4.96% (vs. 4.48% benchmark) for the September quarter. Both funds' domestic equity portfolios provided positive and relative outperformance (Cook 7.23% vs. 6.35% and Forest Preserve 7.03% vs. 6.39%). International equity managers also outperformed against their benchmarks (Cook 10.38% vs. 10.17% and Forest Preserve 11.56% vs. 10.17%). Fixed income mandates also held their own against respective benchmarks despite the continued uncertainty about Fed actions on interest rates (Cook 0.94% vs. 0.57% and Forest Preserve 0.70% vs. 0.57%).

On a year to date basis (through September), both funds are beating their respective benchmarks, with the Cook County Fund returning 9.91% (vs. 8.80% benchmark) and the Forest Preserve Fund returning 11.62% (vs. 9.15% benchmark). On a rolling 12 month basis (through September), the Cook County Fund returned 12.27% (vs. 10.33% benchmark) and the Forest Preserve Fund returned 14.35% (vs. 10.31% benchmark).

4. International Equity Emerging Manager Search – Finalist Presentations;

Ms. Hackett presented a summary of the finalist search process resulting in the selection of the following two finalists: Lombardia Capital Management and Ariel Investments.

Representatives from Lombardia Capital Management and Ariel Investments presented the strategy, research process, capabilities and performance of their respective firms' International Equity funds.

It was moved by Trustee Richardson and seconded by Trustee Samstein that the Investment Committee convene an Executive Session pursuant to Section 2(c)(7) of the Open Meetings Act to discuss the finalist candidates.

[Vote Result:](#) MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

Upon concluding the discussion within Executive Session it was moved by Trustee Richardson and seconded by Trustee Herrera to close the Executive Session.

[Vote Result:](#) MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

No action was taken during closed session. Upon return to open session, the Investment Committee authorized Fund Investment Staff to continue final due diligence to address outstanding matters with each of the finalist candidates. Results of this process would then be presented at the December 5, 2013 Retirement Board meeting for final deliberation and motion.

Motion to Authorize Fund Investment Staff to Negotiate Final Fees. It was moved by Trustee Herrera and seconded by Trustee Fitzgerald that Fund Investment Staff negotiate final fees in to move forward with final recommendations to be presented at the December 5, 2013 Retirement Board meeting.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

5. Adjournment.

It was moved by Trustee Herrera and seconded by Trustee Samstein that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE